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IN THE

Supreme Court of the United States

OCTOBER TERM, 1963

No. 773

GENERAL RADIO COMPANY,
Petitoner,

v.

THE SUPERIOR ELECTRIC COMPANY,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

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February, 1964

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No. 773

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

This action is before the Court upon a petition for a writ of certiorari, by the unsuccessful party in *General Radio* v. *Superior Electric*, 3 Cir., 321 F. 2d 857. That Court decided that the General Radio patent was invalid because its alleged invention was not a patentable invention and also because the alleged invention was previously known by others.

Petitioner asserts jurisdiction under 28 U. S. C. Sec. 1254(1), claiming "conflicting decisions" under Rule 19(b) of this Court (petition, p. 2, footnote).

Magnum Import Co. v. *Coty*, 262 U. S. 159, 163:

> "The jurisdiction to bring up cases by certiorari from the Circuit Courts of Appeals was given for two purposes: first, to secure uniformity of decision between those courts in the nine circuits, and second, to bring up cases involving questions of importance

which it is in the public interest to have decided by this Court of last resort. The jurisdiction was not conferred upon this Court merely to give the defeated party in the Circuit Court of Appeals another hearing".

Statement of the Case

This is an ordinary suit in which petitioner alleged that respondent infringed petitioner's Smiley patent 2,949,592, issued August 16, 1960 upon application filed April 19, 1951. The Third Circuit Court of Appeals affirmed the district court of New Jersey's decision that the patent was invalid.

Petitioner filed in the Patent Office the application for the Smiley patent shortly before the expiration of another patent owned by petitioner, for a specific type of variable autotransformer called the Karplus transformer. Its Karplus et al. patent 2,009,013 issued in 1935 and expired in 1952. The Karplus transformer was useful, and several concerns, including respondent, took licenses under the Karplus et al. patent and paid royalties to petitioner.

The Smiley application (and patent) referred to the Karplus patent, to which it added the idea of *plating* the copper wire to prevent oxidation of the wire and, consequently, to extend its useful life. The single claim of the Smiley patent is for the Karplus transformer, with the addition of the plating.

The Patent Office refused to issue a patent on the Smiley application, because it did not consider that such a patent would be even *presumptively* valid. Petitioner then filed suit against the Commissioner of Patents, in a district court in the District of Columbia, and submitted evidence additional to that in the Patent Office. This included eleven witnesses, called by petitioner, including Smiley who appeared

in Court. Eight of these witnesses were petitioner's employees or customers. The Patent Office had no witnesses. Petitioner submitted forty-one exhibits, and the Patent Office six. Neither respondent nor any member of the public was a party to the suit.

The district judge decided that there was enough evidence before him to support the presumption of validity that accompanies the issue of a patent, and ordered the Patent Office to issue the patent, *General Radio* v. *Watson*, D. C., D. C., 188 F. Supp. 879, which was done.

The decision of the district court added nothing to the usual presumption that a patent is valid, such presumption being "no stronger when a patent is judicially authorized than when it is originally issued by the Commissioner", *Haloro* v. *Owens-Corning*, C. A., D. C., 288 F. 2d 148, 150.

Petitioner threatened respondent with the Smiley patent. respondent did not believe that it was valid, and the present suit resulted. None, not even any formerly licensed under the Karplus patent, has taken a license under the Smiley patent, so far as the record shows (or we know).

"Opinions Below".

The petition (p. 2) mentions only the opinions of the Third Circuit and in the *Watson* case.

A complete list of "opinions below" is:

(a) *General Radio* v. *Watson*, D. C., D. C., 188 F. Supp. 879 (March 29, 1960). A district judge, on the evidence before him, ordered the Patent Office to issue the Smiley patent.

(b) *Superior Electric* v. *General Radio*, D. C., N. J., 194 F. Supp. 339 (May 15, 1961). The district court denied the General Radio motion for a preliminary injunction against Superior Electric on the Smiley patent, General Radio relying on the *Watson* case.

(c) *Superior Electric* v. *General Radio*, D. C., N. J., 203 F. Supp. 864 (March 29, 1962). The district court decided that the Smiley patent was invalid, because the alleged invention was not a patentable invention and, also because it was known to others before Smiley.

The trial was during December 13, 14, 15, 18 and 19, 1961, and in open court, where the trial judge could, and did, himself examine witnesses. General Radio called only one witness, who did not testify in the *Watson* case, and did not call any of the eleven witnesses who there testified for it. The patentee, Smiley, who testified in the *Watson* case, was present at the trial, but General Radio did not subject him to cross-examination by Superior Electric (or the judge), by calling him as a witness.

At the trial in the district court, Superior Electric produced nine witnesses and voluminous documents, many contemporaneous, as evidenced by the attached Appendix A of the Superior Electric Third Circuit appeal brief. None of these witnessees testified in the *Watson* case. Many of these witnesses (two were by deposition) were interrogated by the trial judge.

The evidence before the Third Circuit Court of Appeals in the present case is very different from that in the *Watson* case.

(d) *General Radio* v. *Superior Electric*, 3 Cir., 321 F. 2d 857 (August 23, 1963), rehearing denied October 23, 1963.

The Third Circuit affirmed, finding that the patent was invalid, for the same two reasons that the trial judge declared, viz., unpatentability and prior invention. The Court said:

> "The alleged invention is essentially an improvement on the invention described in Patent No. 2,009,013 granted to Edward Karplus and William Tuttle, to which specific reference is made in the patent in suit" (petition, p. A13).

> "the subject matter of the patent in suit would have been obvious at the time of the alleged invention to a person possessed of the ordinary knowledge and skill of the art, and, was therefore not patentable, 35 U. S. C. Sec. 103" (A17).

In addition, the trial court found that there was prior invention "by others long prior to Smiley's application for the patent in suit" (A20). The Third Circuit declared:

> "the findings are supported by substantial evidence. While it appears that Nelson was the principal witness, it also appears that his testimony was amply corroborated by testimonial and documentary evidence which the trial court apparently found to be credible. The findings of fact must therefore be accepted by this Court" (A21).

The petition does not challenge these findings. Consequently, the "Questions Presented" (petition, p. 3) are moot because, regardless of how the "Questions Presented" are answered, the evidence in the record invalidates the Smiley patent.

The Third Circuit decision, on the evidence before it, that the patent was invalid, and so could not be used to monopolize, was not in conflict with the opinion of the District of Columbia district court that, on the evidence before that court, the Patent Office should issue a patent which could be tested in the courts.

"Jurisdiction"

Petitioner General Radio relies for Jurisdiction upon alleged "conflicting decisions", in the *Watson* case and by the Third Circuit Court of Appeals (petition, p. 2), with respect to the "*Eibel Process* test of invention". There is no conflict.

The Smiley patent was found invalid, upon the evidence in the record, both testimonial and documentary, by the district court for the District of New Jersey, affirmed by

the Third Circuit Court of Appeals. The evidence before the District of Columbia district court in the *Watson* case was substantially different from that in the present case.

The decision in the *Watson* case was not "conflicting" with that of the Third Circuit Court of Appeals.

This Court, in the *Eibel Process* case, 261 U. S. 45 (1923), decided that an invention made before 1907 (p. 46) was patentable. There was no evidence that others made the invention and knew of it prior to Eibel.

The Petition states (p. 7) that this Court there said "the discovery of the source (of trouble) not before known" is entitled to be rewarded . . . in patent". (p. 68).

But what this Court said was:

> "It was the discovery of the source not before known *and the application of the remedy* for which Eibel was entitled to be rewarded in his patent" (emphasis added).

In the present case, Smiley was not the first to discover "the source" (oxidation of copper) or "the remedy" (coating the copper to prevent oxidation).

In the *Eibel Process* opinion, this Court declared that "The issue is one largely of evidence" (p. 52), and that the patent was valid. Incidentally, the same Court in *Vandenburgh v. Truscon*, 261 U. S. 6, decided that, on the evidence before it in that case, patent claims "were without merit as involving invention" (p. 16).

"Questions Presented".

Petitioner asserts that the two questions presented by the petition are whether the *Eibel Process* test of invention is still the law and whether the Third Circuit Court of Appeals is deciding correctly patent cases.

In 1923, when the *Eibel Process* case was decided, patentability depended upon the law, as stated in the patent statutes and court decisions. The same is true today. Now, and then, the evidence in each case, never the same, deter-

mines patentability. There is nothing in the Third Circuit opinion contrary to the *Eibel Process* case.

As for the Third Circuit "destroying, *as a matter of course*, all patents coming before it within recent years" (petition, p. 3, emphasis added), whether or not this be true (it is not), the opinion of the Third Circuit evidences careful and thorough study of the record.

"Reasons For Granting The Writ".

These alleged reasons (petition, p. 8) are A. The *Eibel Process* matter; B. Alleged "tremendous public importance" of the invention; and C. Alleged refusal of this Court "to hear every single patent case filed before it, since the passing of the New Patent Act of 1952, that has involved a determination of the current test of invention".

Eibel Process has been dealt with. The public has ignored the patent in suit. And, if this Court has not recently determined "the current test of invention", undoubtedly it is because there was no reason to do so.

Conclusion

The petition should be denied, because validity of the Smiley patent is not a matter of public interest, there are no "conflicting decisions", and the case was rightly decided by the courts below.

Respectfully submitted.

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February, 1964

APPENDIX A.

List of Plaintiff's Exhibits.

No.	Description	Tr.
P-1	Smiley patent 2,949,592	3
P-2	Karplus patent 2,009,013	3
P-3	Karplus license agreement, August 16, 1938, General Radio-Superior Electric partnership	7
P-4	Powerstat variable autotransformer, type 1126-L	11
P-4A	Small Powerstat, 440 cycles	81
P-5	Powerstat, type 1126-L	12
P-6	Chart of Powerstat transformer	12
P-7, 7A	Two chemistry textbooks, Treadwell & Hall, and Ware	33
P-8, 8A	Handy & Harman orders of December 2 1940 and July 14, 1941	34
P-9A-R	B-L Electric documents, 1941, 1942	40
P-10A, B, C	1942 W. Green Electric documents	63
P-11	Sup. El. inter-office mem., February 5, 1948	72
P-12	Carpenter Status Reports, May 22, 1947 through December 31, 1954	75
P-13	Carpenter obsolete engineering reports, October 26, 1949-October 1954	75
P-13A	Extracts from these reports	201
P-14	Snowdon Progress Report of April 11, 1949	75
P-15	Snowdon January 10, 1950, Supplement to Progress Report	78, 217
P-16	Nineteen Sup. El. laboratory notebooks from July 19, 1946 through August, 1955	80
P-17	Chart, Sup. El. sales and repairs, 1939 through 1958	82
P-18	Snowdon letter to Goodrich of May 26, 1949	91
P-19	Bedus & Stanke bill of April 2, 1945	160
P-20	March 1, 1945 test of silver plated commutator	162
P-21	Carpenter letter of December 16, 1947 to Bart Laboratories	166

No.	Description	Tr.
P-22A, B, C, D	Four Sup. El. notebooks, June 30, 1944 through April 19, 1954	167-169
P-23	Extracts from Carpenter Status Reports (P-12)	171
P-24	Photograph of Sup. El. plating machine	193
P-25	Ward Leonard bulletin 76, May 1950	252
P-26	Ward Leonard Autrastat, Ser. No. 4,776,634	253
P-27	Ward Leonard sheet of drawings dated October 14, 1958	259
P-28	Ward Leonard plating specifications dated October 6, 1948	260
P-29 29A	Plainville Electro Plating chrome plating papers, February 6 and 22, 1947	268
P-30	Sigmund Cohn rhodium plating documents, April 7, 1948 to August 26, 1949	273
P-30A	Sigmund Cohn rhodium bulletin	274
P-31	Snowdon list of Sup. El. test records, 1947 through June 2, 1952	279
P-32	Sup. El. orders for plating tanks, May 11, 1949	326
P-33	Sup. El. sales of plated autotransformers to General Electric, March-September 1951	334-337
P-34	Sup. El. June 10, 1952 technical report	339
P-35	Sup. El. plating machine papers, February 1, 1952—June 17, 1953	341
P-36, 37, 38	Hunt, Wise and Sedgfield references	344
		355
		365
P-39	Pencil sketch of potentiometer, rheostat and autotransformer	370
P-40	Lang and Cohn, of Sigmund Cohn, depositions and exhibits	431
P-41A, B, C	General Radio bulletins, 1949, 1951 and 1953	545
P-42	Chart, Sup. El. and General Radio shipments and repairs	559
P-43	General Radio Richmond report of April 13, 1950	582

No.	Description	Tr.
P-44	Powerstat autotransformer type EN116	655
P-45	Powerstat catalog P258G. (1958)	656
P-46	Piece of conduit	662
P-47	W5M Variac autotransformer	667
P-48	Ohmite catalog	676
P-49	Papers packed with Powerstat Autotransformer	685
P-50	Powerstat Autotransformer shipping box	685